

TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE



FISCAL NOTE

HB 1167 - SB 1167

March 4, 2023

SUMMARY OF BILL: Removes the requirements that a person under 18 years of age must be enrolled in a secondary school or course leading to a GED(R) or HiSET(R) and making satisfactory progress in order to obtain or retain a driver license or instruction permit.

FISCAL IMPACT:

Other Fiscal Impact – To the extent that the required modifications to the Department of Safety’s A-List system can be accomplished within available resources provided under the current vendor contract, the proposed legislation will not result in a significant increase in state expenditures. Otherwise, those modifications could result in a one-time increase in state expenditures of up to \$30,000 in FY23-24.

Assumptions:

- Both the Department of Safety (DOS) and local education agencies are assumed to realize a decrease in administrative burden as a result of this legislation.
- This legislation would impact two cohorts of minors: those who are denied an initial D-Intermediate Restricted license and those that have their D-Intermediate Restricted or Unrestricted license suspended.
- The total cost of a D-Intermediate Restricted license is \$24.50.
- The reinstatement cost of a suspended license is \$20.
- The total cost of graduating from a D-Intermediate Restricted or Unrestricted license to a Class D license is \$19.50.
- The percentages of those two specific cohorts which will be impacted by this legislation is unknown.
- The DOS is estimated to realize a decrease in revenue related to the loss of reinstatement fees for those that have a license suspended and subsequently apply to reinstate.
- The DOS is also estimated to realize an increase in revenue related to additional minors who are currently denied an initial D-Intermediate Restricted License now being eligible to obtain one.
- Any decrease in revenue from loss of reinstatement fees is assumed to be offset equally by the increase in revenue from additional minors not being denied an initial D-Intermediate Restricted License.
- The proposed legislation will require some changes to the DOS’s A-List software system. The estimated cost, as provided by the vendor, to implement these changes is

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\$30,000. It is assumed that these modifications can be accomplished by the vendor under the current contractual agreement without a need for additional expenditures; therefore, any fiscal impact to DOS is estimated to be not significant.

- However, if the scope of work required by this and other legislation subsequently enacted exhausts the relevant contract provision, the proposed legislation could result in an increase in state expenditures up to \$30,000 in FY23-24.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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